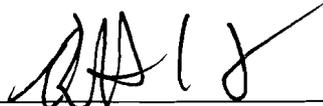


DECEMBER 21, 2007

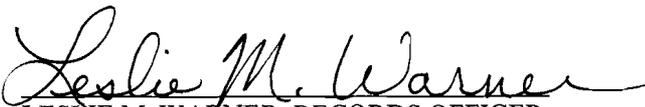
THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON DECEMBER 21, 2007, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, TRUST ACCOUNTING, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 5:00 P.M. ON DECEMBER 21, 2007.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 4; SURFACE ACTIONS AS LISTED ON PAGES 4 TO 17; DEVELOPMENT ACTIONS AS LISTED ON PAGES 17 TO 25; TRUST ACCOUNTING ACTIONS AS LISTED ON PAGE 25; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 26.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 5:00 P.M. ON FRIDAY, JANUARY 4, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION



LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

MATERIALS PERMIT NO. 406 SAND AND GRAVEL (APPROVAL)

APPLICANT:

Running Foxes Petroleum
7060 South Tucson Way
Centennial, CO 80112

AFFECTED LANDS:

Township 20 South, Range 24 East, SLB&M.
Section 32: SE¹/₄NE¹/₄SE¹/₄SW¹/₄

COUNTY: Grand

ACRES: 2.38

FUND: SCH

POROPOSED ACTION:

Applicant proposes to mine common sand and gravel from the subject lands to aid in construction of a natural gas pipeline.

RELEVANT FACTUAL BACKGROUND:

The subject lands are the historic site of sand and gravel production and have been designated by the Director as suitable for sale of over-the-counter sand and gravel permits. No undisturbed lands are included in this permit. Because of these facts, this action is exempt from the State of Utah Resource Development Coordinating Committee ("RDCC") review. Royalty rate set for this permit is \$0.83 per cubic yard of material which is consistent with royalty rates for Sand and Gravel Material Permits in Grand County. The public notice process was completed and no competitive bids were received. Consultation with the Trust Lands Administration Staff Archeologist resulted in the determination that because excavation will be limited to an area of historic disturbance and no additional surface lands will be disturbed, a survey will not be required. Applicant requested a five-year term for this permit.

EVALUATION OF FACTS:

R850-23-200 states that the Agency may issue materials permits or convey profits a prendre or similar interests on trust lands where the Agency deems it consistent with land use plans and Trust responsibilities. Mining of sand and gravel on these lands is an appropriate use of the lands. The royalty rate set for the materials to be produced from the lands meets the requirements of R850-23-300(2)(b). The permit contains a clause providing for the periodic readjustment and escalation of the royalty rate to meet increases in market rates in the area. The five-year term of the permit is consistent with the requirements of R850-23-400. This action qualifies for an exception to the Administrative Policy of Records of Decision. This action is not considered substantive and does not warrant the time and expense necessary to complete a full narrative record of decision, nor is there any evidence that any interested party might be denied access to an appeal process. This summary shall constitute the record of decision.

Upon recommendation of Mr. Tom Faddies, the Director approved the issuance of Materials Permit No. 406 for a term of five years.

MATERIALS PERMIT NO. 412 OVER-THE-COUNTER SAND AND GRAVEL (APPROVAL)

APPLICANT:

Gregory L. Hunt
 16577 Columbine Lane
 Cedaredge, CO 81415

AFFECTED LANDS:

Township 29 South, Range 15 East, SLB&M.
 Section 2: LOT 1(NE $\frac{1}{4}$ NE $\frac{1}{4}$)

COUNTY: Wayne

ACRES: 39.37±

FUND: SCH

The above-subject lands are the site of historic sand and gravel operations. The lands have been designated by the Director for over-the-counter sand and gravel sales.

Upon recommendation of Mr. Tom Faddies, the Director approved the issuance of MP 412 for a term of one year.

READJUSTMENT OF CLAY LEASE ML 1937 (SCH)

The following-described Clay Minerals Lease reaches the end of its current term on December 31, 2007, and is subject to such readjustment in terms and conditions as the Director determines is in the best interest of the Trust. The property is in production of the leased substances and the lessee has demonstrated diligent development. The Minerals Group proposes amending the lease with the terms and conditions of the Agency's currently approved generic lease form for hardrock and industrial minerals. The new annual rental rate for the lease will be \$1 per acre or \$500, whichever amount is greater. The new annual minimum royalty rate for the lease will be \$25 per acre or fraction of an acre, payable on or in advance of each lease-year anniversary, effective January 1, 2008. The production royalty rate will be 10% of gross value of the leased substances sold, f.o.b. the mine, or \$1 per ton, whichever amount is greater. The term of this readjustment will be in effect for a period of ten years, ending December 31, 2017, and so long thereafter as the Director determines it to be in the best interest of the Trust. The lessee was advised of the currently proposed lease readjustment terms and conditions and is in acceptance.

ML 1937

Western Clay Company
 P.O. Box 1067
 Aurora, UT 84620

T21S, R1W, SLB&M.

Sec. 2: LOT 2, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$,
 SE $\frac{1}{4}$ SW $\frac{1}{4}$

Sevier

240.03 acres

Upon recommendation of Mr. Blake, the Director approved the lease readjustment.

METALLIFEROUS MINERAL LEASE APPROVAL

Upon recommendation of Mr. Stokes, the Director approved the Metalliferous Minerals lease application listed below at a minimum annual rental rate of \$500 per lease or \$1 per acre, whichever is greater. The production royalty, as provided in the lease form, approved by the Director of the Trust Lands Administration, is 8% for fissionable minerals and 4% for non-fissionable minerals - based on the gross value of the ore. The land status has been examined utilizing both the plat books and the business system and the lands were found to be open and available. The application has been checked for completeness and found to be in proper order. The business system and plat books have been updated to show the lease application as an existing contract on the lands described below:

<u>ML 51182</u>	<u>T15S, R11W, SLB&M.</u>	Millard
Western Utah Copper Company	SEC. 2: LOTS 1(44.27), 2(44.21), 3(43.91), 4(42.42),	628.60 Acres
P.O. Box 492	5(32.96), 6(20.83), S $\frac{1}{2}$ N $\frac{1}{2}$, SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$	
Milford, UT 84751		

Annual Rental: \$629

FUND: SCH

TOTAL ASSIGNMENT - OIL, GAS, AND HYDROCARBON LEASE

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to McLish Petroleum Company, 633-17th Street, Suite 1650, Denver, CO 80202, by SonJa V. McCormick. No override.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

SONJA V. MCCORMICK – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

MCLISH PETROLEUM COMPANY – 100%

...ML 50988 (SCH)....

INTEREST ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 2.5% interest in and to the lease listed below to Diamondback Oil Partners, LLP, 5990 Kipling Parkway, Suite 201, Arvada, CO 80004, by SEP-Seep Ridge, LLC. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

SUNWEST EXPLORATION INC. - 50%,
SEP-SEEP RIDGE, LLC – 50%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

SUNWEST EXPLORATION INC. – 50%,
SEP-SEEP RIDGE, LLC – 47.5%,
DIAMONDBACK OIL PARTNERS, LLP – 2.5%

...ML 49785 (SCH)....

INTEREST ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 70% interest in part of lands: Metes and Bounds (227.39 acres) Sec. 10; Metes and Bounds (76.91 acres) Sec. 11, T6S, R19E, SLB&M., 304.30 acres, in and to the lease listed below to Elk Resources, Inc., 1401 Seventeenth Street, Suite 700, Denver, CO 80202, by El Paso E&P Company, L.P. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EL PASO E&P COMPANY, L.P. – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

T6S, R19E, SLB&M. 62.03 ACRES

SEC. 16: LOTS 1, 2, 3

EL PASO E&P COMPANY, L.P. – 100%

T6S, R19E, SLB&M. 304.30 ACRES

SEC. 10: METES AND BOUNDS (227.39 ACRES)

SEC. 11: METES AND BOUNDS (76.91 ACRES)

ELK RESOURCES, INC. – 70%,

EL PASO E&P COMPANY, L.P. – 30%

...ML 48374 (UNIV)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 70% interest in and to the lease listed below to Elk Resources, Inc., 1401 Seventeenth Street, Suite 700, Denver, CO 80202, by El Paso E&P Company, L.P. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

EL PASO E&P COMPANY, L.P. – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

ELK RESOURCES, INC. – 70%,

EL PASO E&P COMPANY, L.P. – 30%

...ML 48693 (SCH)....

SURFACE ACTIONS

GRAZING PERMITS

GRAZING PERMIT NO. 20179 (CANCELLATION)

Bridle Bit Three Cattle Company, 543 E. 600 S., St. George, UT 84770-3742, was informed by certified mail that the above grazing permit would be canceled because the Trust Lands Administration is in the process of developing all trust lands in this permit into the "Southern Parkway" road and other associated development in the future. No response was received. Washington County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the cancellation of GP 20179.

GRAZING PERMIT NO. 21193 (CANCELLATION)

Quality Venture One LC and PUB Rocky Road, LC, as joint tenants, 113 East 200 North #3, St. George, UT 84770, were informed by certified mail that the above grazing permit would be canceled because the permitted land was sold at public auction on October 12, 2007. No response was received. Washington County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the cancellation of GP 21193.

GRAZING PERMIT NO. 21448-00 (CANCELLATION)

Bridle Bit Three Cattle Company, 543 E. 600 S., St. George, UT 84770-3742, was informed by certified mail that the above grazing permit would be canceled because the Trust Lands Administration is in the process of developing all trust lands in this permit into the "Southern Parkway" road and other associated development in the future. No response was received. Washington County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the cancellation of GP 21448-00.

GRAZING PERMIT NO. 22414 (CANCELLATION)

Ray and Sherman Bradshaw, P.O. Box 178, Beaver, UT 84713, were informed by certified mail that the above grazing permit would be canceled because the permitted land was sold at public auction on October 12, 2007. Beaver County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the cancellation of GP 22414.

GRAZING PERMIT NO. 22776-00 (CANCELLATION)

Stanley and Jess Wood, Box 1484, Lyman, UT 84749, were informed by certified mail that the above grazing permit would be canceled because the permitted land was sold at public auction on October 12, 2007. Wayne County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the cancellation of GP 22776-00.

GRAZING PERMIT NOS. 22948 AND 23279 (PARTIAL ASSIGNMENT OF GP 22948 AND CREATION OF GP 23279)

Castle Valley Ranches LLC, P.O. Box 588, Emery, UT 84522, has requested the Trust Lands Administration's permission to assign a portion of GP 22948 to Kris and Tara Payne and Morris and Ronnie Sorensen, all as joint tenants, P.O. Box 653, Emery, UT 84522. In order to facilitate the assignment, a new grazing permit, GP 23279, will be created. The following lands are being assigned:

T23S, R5E, SLB&M

Sec. 2: Lots 2-3, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$	481.02 Acres	16 AUMs
Sec. 16: S $\frac{1}{2}$	320.00 Acres	10 AUMs

GP 22948 will now contain 840.00 acres and 28 AUMs. GP 23279 will contain 801.02 acres and 26 AUMs.

The expiration date of June 30, 2009, will apply to both permits.

A \$30.00 assignment fee has been submitted. Sevier County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the partial assignment of GP 22948 and the creation of GP 23279.

GRAZING PERMIT NO. 20403 (ASSIGNMENT)

Joseph S. Broadbent and Ray S. Broadbent, Successor General Co-Personal Representatives for Joseph R. Broadbent, P. O. Box 58627, Salt Lake City, UT 84158, who is deceased, have requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to J. R. Broadbent Grazing Association, LLC, P.O. Box 58627, Salt Lake City, UT 84158. A copy of the death certificate for Joseph R. Broadbent and a legal paper showing Joseph S. Broadbent and Ray S. Broadbent as Successor General Co-Personal Representatives are in the file. The assignment fee in the amount of \$42.22 has been submitted. Daggett County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the assignment of GP 20403.

GRAZING PERMIT NO. 20742 (ASSIGNMENT)

Joseph S. Broadbent and Ray S. Broadbent, Successor General Co-Personal Representatives for J. R. Broadbent, P.O. Box 58627, Salt Lake City, UT 84158, who is deceased, have requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to J. R. Broadbent Grazing Association, LLC, P.O. Box 58627, Salt Lake City, UT 84158. A copy of the death certificate for Joseph R. Broadbent and a legal paper showing Joseph S. Broadbent and Ray S. Broadbent as Successor General Co-Personal Representatives are in the file. The assignment fee in the amount of \$30.00 has been submitted. Daggett County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the assignment of GP 20742.

GRAZING PERMIT NO. 21194 (ASSIGNMENT)

Joseph S. Broadbent and Ray S. Broadbent, Successor General Co-Personal Representatives for J. R. Broadbent, P.O. Box 58627, Salt Lake City, UT 84158, who is deceased, have requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to J. R. Broadbent Grazing Association, LLC, P.O. Box 58627, Salt Lake City, UT 84158. A copy of the death certificate for Joseph R. Broadbent and a legal paper showing Joseph S. Broadbent and Ray S. Broadbent as Successor General Co-Personal Representatives are in the file. The assignment fee in the amount of \$36.57 has been submitted. Daggett County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the assignment of GP 21194.

GRAZING PERMIT NO. 21490-00 (ASSIGNMENT)

Joseph S. Broadbent and Ray S. Broadbent, Successor General Co-Personal Representatives for J. R. Broadbent, P.O. Box 58627, Salt Lake City, UT 84158, who is deceased, have requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to J. R. Broadbent Grazing Association, LLC, P.O. Box 58627, Salt Lake City, UT 84158. A copy of the death certificate for Joseph R. Broadbent and a legal paper showing Joseph S. Broadbent and Ray S. Broadbent as Successor General Co-Personal Representatives are in the file. The assignment fee in the amount of \$192.00 has been submitted. Daggett County. School and Miners Hospital Funds.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the assignment of GP 21490-00.

GRAZING PERMIT NO. 21541-00 (ASSIGNMENT)

Joseph S. Broadbent and Ray S. Broadbent, Successor General Co-Personal Representatives for J. R. Broadbent, P.O. Box 58627, Salt Lake City, UT 84158, who is deceased, have requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to J. R. Broadbent Grazing Association, LLC, P.O. Box 58627, Salt Lake City, UT 84158. A copy of the death certificate for Joseph R. Broadbent and a legal paper showing Joseph S. Broadbent and Ray S. Broadbent as Successor General Co-Personal Representatives are in the file. The assignment fee in the amount of \$183.60 has been submitted. Daggett County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the assignment of GP 21541-00.

GRAZING PERMIT NO. 21717-01 (ASSIGNMENT)

Joseph S. Broadbent and Ray S. Broadbent, Successor General Co-personal Representatives for J. R. Broadbent, P.O. Box 58627, Salt Lake City, UT 84158, who is deceased, have requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to J. R. Broadbent Grazing Association, LLC, P.O. Box 58627, Salt Lake City, UT 84158. A copy of the death certificate for Joseph R. Broadbent and a legal paper showing Joseph S. Broadbent and Ray S. Broadbent as Successor General Co-Personal Representatives are in the file. The assignment fee in the amount of \$254.34 has been submitted. Daggett County. School and Miners Hospital Funds.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the assignment of GP 21717-01.

GRAZING PERMIT NO. 21725-01 (FIVE-YEAR EXTENSION OF TERM)

Johnson Livestock Oak Ranch, c/o Scott Johnson, P.O. Box 309, Aurora, UT 84620, has requested a term extension for Grazing Permit No. 21725-01 due to the investment made in completing Range Improvement Project No. 186 that was approved on October 7, 2005. On December 13, 2007, the Johnson Livestock Oak Ranch completed a well development, one mile pipeline, and two water troughs with assistance from the Natural Resources Conservation Service ("NRCS") costing \$19,150 total.

Pursuant to Rule R850-50-600, the term of GP 21725-01 will be extended five years, with an expiration date of June 30, 2021.

Sevier and Emery Counties. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the five-year extension of term for GP 21725-01.

GRAZING PERMIT NO. 23279 (AMENDMENT – ADDITION OF ACREAGE AND AUMS)

Kris & Tara Payne and Morris & Ronnie Sorensen have requested the addition of the following acreage and AUMs to GP 23279:

T23S, R5E, SLB&M

Sec. 2: SW $\frac{1}{4}$ NW $\frac{1}{4}$	40.00 Acres	1.5 AUMs
---	-------------	----------

T23S, R6E, SLB&M

Sec. 6: Lot 5 (SW $\frac{1}{4}$ NW $\frac{1}{4}$)	40.11 Acres	1.5 AUMs
--	-------------	----------

Sec. 16: NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$	320.00 Acres	11.0 AUMs
---	--------------	-----------

GP 23279 will now contain 1,201.13 acres and 40 AUMs.

A \$50.00 amendment fee has been paid. The first year's grazing rental and weed fee for the additional AUMs, amounting to \$49.70, has also been submitted. Emery and Sevier Counties. School and Reservoir Funds.

Upon recommendation of Mr. Ron Torgerson, the Director approved the amendment of GP 23279.

RANGE IMPROVEMENT PROJECTS

RANGE IMPROVEMENT PROJECT NO. RIP 301 (WITHIN GP 22300, GP 61-A, GP 23223, AND GP 23223-A)

APPLICANT'S NAME AND ADDRESS:

Trust Lands Administration
130 North Main
Richfield, UT 84701

CO-APPLICANTS:

GP 22300

Phillip E. Allred
P.O. Box 96
Fountain Green, UY 84632

GP 61-A

Bryan E. Allred
P.O. Box 116
Fountain Green, UT 84632

GP 23223 and GP 23223-A

Zale Vacher
P.O. Box 265
Goshen, UT 84633

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:

T12S, R3W, SLB&M

Section 21: SE $\frac{1}{4}$ SE $\frac{1}{4}$
Section 22: (within)
Section 28: E $\frac{1}{2}$ (within)
Section 33: W $\frac{1}{2}$ (within)

T13S, R3W, SLB&M

Section 4: W $\frac{1}{2}$ NW $\frac{1}{4}$ (within)
Section 5: E $\frac{1}{2}$ (within)
Section 7: SE $\frac{1}{4}$ (within)
Section 8: SW $\frac{1}{4}$ (within)
Section 9: (within)
Section 10: S $\frac{1}{2}$ S $\frac{1}{2}$ (within)
Section 18: NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$ (within)

COUNTY: Juab

FUND: School

REQUESTED/PROPOSED ACTION:

Trust Lands Administration's surface staff is proposing to construct 7.1 miles of fence along the east side of State Hwy 6 and 4.4 miles of fence along both sides of County Route 148 and 0.4 miles of interior pasture fence. A total of 11.9 miles of fence is being proposed. Included in the fence along Hwy 6 is one 20 ft. cattle guard.

RANGE IMPROVEMENT PROJECT NO. RIP 301 (WITHIN GP 22300, GP 61-A, GP 23223, AND GP 23223-A)
(CONTINUED)

RELEVANT FACTUAL BACKGROUND:

A search of the Trust Lands Administration's records was made to determine the status of the area involved. The grazing permits of record on the affected area are GP 22300 (Phillip Allred), GP 61-A (Bryan Allred), GP 23223 (Vacher Brothers), GP 23223-A (Zale Vacher), co-applicants. There are two easements, ESMT 797 & 798, both granted to the Utah Department of Transportation ("UDOT"), which is a financial cooperator. There are eight mineral leases within the project area; none will be affected by the project.

Cultural clearance was completed by the Trust Lands Administration's archaeological staff.

The cost of the project is approximately \$98,000.00. The sources of funding are: The Department of Agriculture and Food's Grazing Improvement Program ("GIP") - \$56,400.00, Utah Department of Transportation ("UDOT") - \$12,700.00, Grazing Permittees - \$21,800.00, and Trust Lands Administration - \$7,000.00.

The following is a flat rate amortization schedule (NRCS Schedule) for this project if the Trust Lands Administration cancels the grazing permit before the project is fully amortized. If the permittees sell or allow their permits to expire or to be canceled due to their own failure, then the amortization schedule will be canceled.

Permittee	Project Cost	Project Life	Year Completed	Yearly Amortized Deduction	Year Fully Amortized
Bryan Allred	\$500.00	20 years	2008	\$25.00/year	2028
Philip Allred	\$18,353.00	20 years	2008	\$917.65/year	2028
Zale Vacher	\$2,947.00	20 years	2008	\$147.35/year	2028

EVALUATION OF THE FACTS:

The proposed range improvement is not located on land affected by (a) or (b) of R850-50-1100(5). The proposed project enhances the value of the range for domestic livestock.

Based on the above information and upon recommendation by Mr. Scott Chamberlain, the Director approved Range Improvement Project No 301. This summary will constitute the Record of Decision.

EASEMENTS**EASEMENT NO. 1251 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Questar Gas Management
 Attn: Carol Wheat
 1955 Blairtown Road
 P.O. Box 2819
 Rock Springs, WY 82901

LEGAL DESCRIPTION:

Township 9 South, Range 24 East, SLB&M
 Section 25: Lots 4, 7, 12, SE $\frac{1}{4}$ SW $\frac{1}{4}$ (within)
 Section 36: W $\frac{1}{2}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ (within)

Township 10 South, Range 24 East, SLB&M
 Section 1: Lots 3, 4, 5, W $\frac{1}{2}$ SW $\frac{1}{4}$ (within)

A 30 foot wide easement, 15 feet on each side of the following described centerline:

Beginning at a point on the south line of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 1, T10S, R24E, SLB&M, which bears N 89°47'01" E 672.85 feet from the southwest corner of said Section 1, thence N 36°19'32" W 440.09 feet; thence N 15°27'49" W 936.65 feet; thence N 06°14'05" W 928.39 feet; thence N 20°53'38" E 115.38 feet; thence N 43°46'44" E 856.06 feet; thence N 26°15'53" W 283.12 feet; thence N 02°57'15" E 295.62 feet; thence N 14°24'01" E 384.38 feet; thence N 47°04'41" E 308.73 feet; thence N 07°40'31" E 735.24 feet; thence N 88°28'25" E 463.13 feet; thence N 28°37'31" E 159.11 feet; thence N 13°33'05" W 336.93 feet to a point on the north line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 1, which bears S 89°58'08" W 1451.31 feet from the northwest corner of said Section 1.

Also beginning at a point on the south line of the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 36, T9S, R24E, SLB&M, which bears N 89°54'25" E 618.21 feet from the west $\frac{1}{4}$ corner of said Section 36, thence N 08°12'01" E 564.40 feet; thence N 18°58'51" E 688.49 feet; thence N 37°41'49" E 599.95 feet; thence N 54°16'41" E 750.06 feet; thence N 00°00'01" W 519.06 feet to a point on the north line of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 36 which bears S 89°53'00" W 732.36 feet from the north $\frac{1}{4}$ corner of said Section 36, thence N 00°00'01" W 2870.72 feet to a point in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 25, T9S, R24E, SLB&M, which bears N 83°06'27" E 1915.67 feet from the west $\frac{1}{4}$ corner of said Section 25.

Also beginning at a point in Lot 7, of said Section 25, which bears N 73°37'45" E 1982.18 feet from the west $\frac{1}{4}$ corner of said Section 25, thence N 00°00'01" W 885.12 feet to a point in Lot 4 of said Section 25, which bears S 31°09'01" W 1402.51 feet from the north $\frac{1}{4}$ corner of said Section 25. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 9.036 acres more or less.

COUNTY: Uintah

ACRES: 9.036

FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain an 8-inch diameter natural gas pipeline. The proposed pipeline will tie into an existing pipeline on the north end and will further expand the gathering system for natural gas producers in the area. The proposed pipeline corridor is 13,120.63 feet long and 30 feet wide, containing 9.036 acres. The proposed term of the easement is 30 years.

EASEMENT NO. 1251 (APPROVAL) (CONTINUED)

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee (“RDCC”) review was initiated on March 16, 2007. Comments were received from the Department of Environmental Quality/Division of Air Quality, the Utah Geological Survey and the Uintah County Commission, as follows:

Department of Environmental Quality/Division of Air Quality:

“This proposal may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 North 1950 West, Salt Lake City, Utah, 84116, for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available online at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>

“In addition, the project is subject to R307-205-5, Fugitive Dust, since the project could have a short-term impact on air quality due to the fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/public/code/r307/r307.htm.”

Utah Geological Survey:

“There are known significant vertebrate fossil localities recorded in or near this project area, and the Eocene Uinta Formation that is exposed here has the potential for yielding additional significant vertebrate fossil localities. The office of the State Paleontologist, therefore, recommends that a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit.”

Uintah County Commission:

“Thank you for the opportunity to comment on the construction, operation, repair, and maintenance of an 8-inch diameter buried natural gas pipeline located within T9S, R24E, Section 25 & 3, and T10S, R24E, Section 1, in Uintah County.

[There will be] “Some ground disturbance during construction. Pipeline will be excavated, re-buried, and rehabilitated by Questar Gas Management Co. Uintah County supports this proposed action and is supportive of oil and gas production in the County. At this time we have no further comment, but reserve the right to comment at a later date if warranted.”

The applicant has been notified of the comments provided by the RDCC. The comments submitted by the Department of Environmental Quality/Division Air Quality are addressed within paragraph 13 of the easement agreement.

Pursuant to the comments submitted by the Utah Geological Survey, a paleontological survey of the project area was conducted on September 11, 2007, by Stephen D. Sandau, paleontologist for Intermountain Paleo-Consulting (Report No. 07-214). The survey showed little to no sign of vertebrate fossils, therefore it was recommended that no paleontological restrictions be placed upon the development of the project. However, if fossils are encountered during construction, a qualified paleontologist should be immediately notified to evaluate the discovery.

EASEMENT NO. 1251 (APPROVAL) (CONTINUED)

The project area was surveyed for cultural resources by Montgomery Archaeological Consultants (U-06-MQ-0550p,s & U-07-MQ-1157s) with a finding of "No Historic Properties Affected." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the project and concur with this finding.

In order to protect the potential for oil shale development on the lands underlying the easement, a relocation clause will be included in the easement agreement and the pipeline will be laid upon the surface where feasible and safe. Also, there are known gilsonite veins located near the proposed easement. The applicant has been notified to inform the Trust Lands Administration immediately should additional gilsonite veins be discovered during the construction of the pipeline.

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1251 for a term of 30 years beginning January 1, 2008, and expiring December 31, 2037, with the easement fee being \$9,542.28 plus the \$600.00 application fee. The administrative fee required by R850-40-1800 has been paid in a one-time payment of \$500.00.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE AGREEMENT NO. 396 (SECOND AMENDMENT)**

The above numbered lease is issued to Gold Creek Development Corporation, c/o Mike Barrett, 7840 Knox Court, Westminster, CO 80030. This lease was originally approved on April 18, 1976. The lease was amended on June 10, 1982, which was a replacement and novation of the original lease agreement. This lease has a term of 51 years which will expire on June 30, 2033. The lessee has a first right to renew the lease for an additional 51 years. The lease also has a 25 year review clause. It is structured as an old three-phase development lease with the phases being:

*Pre Development Phase – where the lessee is granted the right to develop and submit preliminary plats.

*Development Phase – where the lessee is granted the right to develop the property which would include all infrastructure development i.e. roads, and water.

*Sublease Phase – which applies to all platted property with improved lots which include water and access. This allows the lessee the right to sublease the developed lots under the master plan.

SPECIAL USE LEASE AGREEMENT NO. 396 (SECOND AMENDMENT) (CONTINUED)

The original development included an approved plat within Garfield County with 100 improved lots. The lessee has not been able to market any of these lots under their sublease program over the last 25 years of this lease. They have now requested that the lease be amended to allow for fee simple sale of the lots. They propose to increase the size of the lots by eliminating lot lines and reduce the number of lots to 50 one acre lots. The market in this area seems to support a larger lot that can be sold in fee.

The lease will be amended to allow for fee simple sale of the lots and the Trust Lands Administration will be compensated on the sale of each lot at \$3,000.00/lot. In addition, there will be a \$100.00/lot annual rental which will reduce as the lots are sold. The lessee will guarantee a minimum of \$15,000.00 annually to the Trust Lands Administration (five lot sales per year) and will pay the difference if the lots do not sell.

A performance evaluation prepared on this proposal indicates that amending this lease to allow for fee simple sale of the lots will return greater revenue than continuing with the old lease in its present form.

Upon recommendation of Mr. Lou Brown, the Director approved the amendment of SULA 396 to allow for fee simple sale of the approved lots.

SPECIAL USE LEASE AGREEMENT NO. 963 (FIVE-YEAR REVIEW)

Special Use Lease Agreement No. 963 is an industrial lease issued to Plateau Mining Corporation, c/o RAG American Coal Holding, Inc., 391 Inverness Parkway, Suite 333, Englewood, CO 80112-9804. The lease site is located in Carbon County. School Fund.

1. **ANNUAL BASE RENTAL:**

The five-year review date for this lease is January 1, 2008. The subject property is located in Carbon County and is used by the lessee for the limited purpose of providing access to, and conducting reclamation and monitoring activities upon, the subject tract in accordance with the requirements of the Utah Division of Oil, Gas and Mining (“UDOGM”). Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. Therefore, it is recommended that the CPI index be used to adjust the annual rental, which will be increased from \$2,208.00 to \$2,540.00 per year, effective January 1, 2008. A certified notice of the rental increase was sent to the lessee on December 18, 2007.

New Annual Base Rental Amount: \$ 2,540.00

Acres in Lease: 46.00

Rental per Acre: \$ 55.22

2. **DUE DILIGENCE AND PROPER USE:**

The development allowed by this lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.

3. **ADEQUATE BOND COVERAGE:**

UDOGM holds a surety bond on the reclamation and monitoring activities for this subject property.

4. **ESTABLISHMENT OF WATER RIGHTS:**

There are no water rights owned by the Trust Lands Administration associated with this lease.

SPECIAL USE LEASE AGREEMENT NO. 963 (FIVE-YEAR REVIEW) (CONTINUED)

5. POLLUTION AND SANITATION REGULATIONS:

The Trust Lands Administration is unaware of any violations of valid sanitation, and pollution regulations. There is no evidence of underground storage tanks on the leased premises.

6. NEXT FIVE-YEAR REVIEW DATE:

The next assessment will be due on January 1, 2013.

Upon recommendation of Mr. Kurt Higgins, the Director approved the five-year review for Special Use Lease Agreement No. 963.

SPECIAL USE LEASE AGREEMENT 1075 (FIVE-YEAR REVIEW)

SULA 1075 is a telecommunications lease in Rich County issued to Bear Lake Communications, P.O. Box 7, 45 West Center, Fairview, UT 84629. School Fund.

1. ANNUAL BASE RENTAL:

The five-year lease rental review date for this telecommunications lease is January 1, 2008. The subject property is used for a passive microwave on the Bear Lake site. The lease agreement provides for periodic increases in the annual base rental amount. Pursuant to the use of the consumer price index inflationary adjustment, it is recommended that the annual base rental be increased from \$940.00 per year to \$1,080.00 per year, effective January 1, 2008. A certified notice was sent informing the lessee of this action. No response was received.

There is no subleasing associated with this lease.

Preliminary Estimate of Raw Land Value: \$500.00 (Based on \$500.00 per acre)

New Annual Base Rental Amount: \$1,080.00

Acres in Lease: 1.00

Rental Amount / Acre: \$1,080.00

The existing communication lease site is considered the highest and best use of a small parcel of this type of land. The difference in the fair market value of the subject parcel and the surrounding lands valued as raw lands vs. the highest and best use return as a communication site is significant.

2. DUE DILIGENCE AND PROPER USE:

The development allowed by the lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.

3. ADEQUATE INSURANCE AND BOND COVERAGE:

The lease provides for both insurance and a bond. There is no evidence of either in the file. The lessee shall be contacted and asked to provide both proof of insurance and a bond for the site.

4. ESTABLISHMENT OF WATER RIGHTS:

There are no water rights associated with this lease.

SPECIAL USE LEASE AGREEMENT 1075 (FIVE-YEAR REVIEW) (CONTINUED)

5. POLLUTION AND SANITATION REGULATIONS:

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There are no underground storage tanks on the premises.

6. NEXT REVIEW DATE:

The next review date will be January 1, 2013.

Upon recommendation of Mr. Gary Bagley, the Director approved the five-year review for SULA 1075.

SPECIAL USE LEASE NO. 1284 (RECLAMATION BOND)

Anadarko Petroleum Corporation, P.O. Box 730002, Dallas, TX 75373-0277, has submitted Corporate Surety Bond No. 22021222 pursuant to Paragraph 14 of the lease agreement. The bonding company is Liberty Mutual Insurance Company, 12750 Merit Drive, Suite 710, Dallas, TX 75251. The reclamation bond is for \$5,000.00 and will remain in full force and effect until released by the Trust Lands Administration. Carbon County. School fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1284.

TIMBER SALES

TIMBER SALE NO. 832 (CLOSEOUT)

Western Excelsior Corporation, P.O. Box 659, Mancos, Colorado 81328, has requested that this timber sale (Kobi Meadows) be closed out. Agency staff has reviewed compliance with all provisions of the contract and has determined that all requirements have been met. All bonds for this sale are associated with the Long Term Agreement and, therefore, will not be released. Grand County. USU fund.

Upon recommendation of Mr. Adam Robison, the Director approved the closeout of TA 832.

TIMBER SALE NO. 800 (EXTENSION OF TIME)

High Country Forest Products, LLC ("HCFP"), c/o Jim Matson, 135 W. Kanab Creek Drive, Kanab, Utah 84741, has requested the expiration date of this contract be extended from December 31, 2007, to December 31, 2008. HCFP has agreed to submit new payment and performance bonds, which will be valid until the new expiration date. The \$250.00 contract extension fee has been submitted. Duchesne County. School Fund.

Upon recommendation of Mr. Adam Robison, the Director approved the extension of time for TA 800.

TIMBER SALE NO. 807 (EXTENSION OF TIME)

High Country Forest Products ("HCFP"), c/o Jim Matson, 135 W. Kanab Creek Drive, Kanab, Utah 84741, has requested the expiration date of this contract be extended from December 31, 2007, to July 31, 2008. HCFP has agreed to submit new payment and performance bonds, which will be valid until the new expiration date. The \$250.00 contract extension fee has been submitted. Emery County. School Fund.

Upon recommendation of Mr. Adam Robison, the Director approved the extension of time for TA 807.

DEVELOPMENT ACTIONS

DEVELOPMENT LEASE AGREEMENT NO. 766 – OLD COURSE DEVELOPMENT, LLC

AGREEMENT NO.: 766
PROJECT: Sienna Hills
PROJECT MANAGER: Aaron Langston
PROJECT CODE: MPI13 001 00 004
COUNTY: Washington
FUND: School
DATE OF AGREEMENT: September 8, 2006
BOARD APPROVED: August 16, 2005

LESSEE:
OLD COURSE DEVELOPMENT, LLC
a Utah Limited Liability Company
144 West Brigham Road, Suite D-1
St. George, Utah 84790

DESCRIPTION OF TRANSACTION:

This transaction is a development lease encompassing 101.09 acres of trust lands, described below, for the purpose of development and sale of subdivided, improved residential lots. The lease term of the agreement is five (5) years from the commencement date, ending at 11:59 p.m. on August 18, 2010.

ACCOUNTING:

Lessee is to pay annually in advance on the anniversary of the Commencement Date, rent of ONE THOUSAND TWO HUNDRED DOLLARS (\$1,200.00). In addition, Lessee has agreed to pay a proportional share of the costs of relocating the power line for this development in the amount of FORTY-THREE THOUSAND TWO HUNDRED TWENTY-SEVEN DOLLARS (\$43,227.00).

Lots, in all four (4) phases, shall be sold for no less than EIGHTY THOUSAND DOLLARS (\$80,000.00) per lot. The Trust Lands Administration and the Lessee shall share in the proceeds of each lot sale; the Trust Lands shall receive forty percent (40%) and the Lessee shall receive sixty percent (60%). The distribution shall be adjusted as necessary to compensate the Lessee for certain Capital Recovery costs for these lands.

This agreement was previously reviewed and approved by the Board.

DEVELOPMENT LEASE AGREEMENT NO. 766 – OLD COURSE DEVELOPMENT, LLC (CONTINUED)

LEGAL DESCRIPTION:

Township 42 South, Range 14 West, SLB&M

Sections 7 and 18:

Contains 11.13 acres, more or less.

and

Township 42 South, Range 15 West, SLB&M

Sections 12 and 13:

Contains 89.96 acres, more or less.

Beginning at a point N 89°14'37"W 1134.34 feet along the Section Line and N 0°45'23"E 0.40 feet from the Southeast corner of Section 12, Township 42 South, Range 15 West, Salt Lake Base and Meridian, and running thence N 7°33'39"E 65.30 feet to the point of a 20.00 foot radius curve to the right; thence Northeasterly 14.96 feet along the arc of said curve through a central angle of 42°51'08" to the point of a 12.00 foot radius reverse curve to the left; thence Northeasterly 10.53 feet along the arc of said curve through a central angle of 50°17'55" to the point of tangency; thence N 0°06'52"E 10.67 feet to the point of a 50.00 foot radius curve to the right; thence Northeasterly 35.41 feet along the arc of said curve through a central angle of 40°34'35" to the point of a 95.00 foot radius reverse curve to the left; thence Northeasterly 118.63 feet along the arc of said curve through a central angle of 71°32'56" to the point of tangency; thence N 30°51'29"W 30.80 feet; thence N 44°45'09"W 65.36 feet; thence N 52°05'37"W 176.05 feet to the point of an 80.00 foot radius curve to the left; thence Northwesterly 36.12 feet along the arc of said curve through a central angle of 25°51'56" to the point of tangency; thence N 77°57'33"W 81.45 feet to the point of a 140.00 foot radius curve to the right; thence Northwesterly 68.54 feet along the arc of said curve through a central angle of 28°02'57" to the point of tangency; thence N 49°54'36"W 50.83 feet more or less to a point on the Southeasterly right-of-way line of "Grapevine Crossing", a proposed 80.00 foot wide public street, said point being on a 540.00 foot, non-tangent radius curve to the left, the radius point bears N 67°09'57"W; thence Northeasterly 66.93 feet along the arc of said curve and said right-of-way line through a central angle of 7°06'07" to the point of a 460.00 foot radius reverse curve to the right; thence Northeasterly 268.39 feet along the arc of said curve and said right-of-way line through a central angle of 33°25'46" to the point of a 1040.00 foot radius reverse curve to the left; thence Northeasterly 316.26 feet along the arc of said curve and said right-of-way line through a central angle of 17°25'25" to the point of a 660.00 foot radius reverse curve to the right; thence Northeasterly 757.93 feet along the arc of said curve and said right-of-way line through a central angle of 65°47'49"; thence leaving said right-of-way line S 77°51'14"E 106.12 feet; thence S 86°36'54"E 459.11 feet; thence S 29°08'33"E 92.61 feet; thence S 10°03'33"E 404.40 feet; thence S 1°34'02"W 207.92 feet; thence S 23°18'36"W 162.80 feet; thence S 15°43'38"E 168.06 feet; thence S 5°14'33"W 589.52 feet; thence S 14°16'37"E 286.26 feet; thence S 23°51'59"E 124.73 feet; thence S 17°59'21"E 211.75 feet; thence S 27°20'24"E 7.50 feet; thence S 40°47'36"W 128.63 feet; thence S 58°45'06"W 358.17 feet; thence S 20°31'33"W 228.13 feet; thence S 13°45'21"W 229.74 feet; thence S 60°50'40"W 419.14 feet; thence S 54°05'37"W 160.04 feet; thence S 38°17'37"E 87.85 feet; thence S 29°16'57"W 208.66 feet; thence S 70°32'50"W 108.63 feet; thence S 27°12'38"E 155.85 feet; thence S 8°25'06"W 98.96 feet; thence S 62°30'49"W 237.52 feet; thence N 43°22'21"W 295.40 feet; thence N 29°59'06"W 97.15 feet; thence N 19°21'06"W 98.59 feet; thence N 30°12'26"W 109.05 feet; thence N 2°11'36"W 70.00 feet; thence N 3°33'09"E 135.66 feet to the point of a 50.00 foot radius curve to the right; thence Northeasterly 43.87 feet along the arc of said curve through a central angle 50°16'11" to the point of tangency; thence N 53°49'20"E 28.90 feet to the point of a 15.00 foot radius curve to the left; thence Northeasterly 24.70 feet along the arc of said curve through a central angle of 94°21'12" to the point

DEVELOPMENT LEASE AGREEMENT NO. 766 – OLD COURSE DEVELOPMENT, LLC (CONTINUED)

of tangency; thence N 40°31'53"W 55.47 feet to the point of a 30.00 foot radius curve to the right; thence Northwesterly 38.03 feet along the arc of said curve through a central angle of 72°37'44" to the point of a 237.00 foot radius reverse curve to the left; thence Northeasterly 123.20 feet along the arc of said curve through a central angle of 29°47'02" to the point of tangency; thence N 2°18'49"E 231.71 feet; thence N 18°59'03"E 206.26 feet; thence N 28°06'33"E 73.56 feet to the point of a 100.00 foot radius curve to the left; thence Northeasterly 54.08 feet along the arc of said curve through a central angle of 30°59'02" to the point of tangency; thence N 2°52'29"W 198.08 feet; thence N 9°44'25"W 109.71 feet to the point of a 32.00 foot radius curve to the right; thence Northeasterly 37.10 feet along the arc of said curve through a central angle of 66° 25'32" to the point of tangency; thence N 56°41'07"E 40.62 feet to the point of a 50.00 foot radius curve to the left; thence Northeasterly 79.93 feet along the arc of said curve through a central angle of 91°35'33" to the point of a 100.00 foot radius reverse curve to the right; thence Northwesterly 95.23 feet along the arc of said curve through a central angle of 54°33'43" to the point of tangency; thence N 19°39'16"E 91.43 feet to the point of a 15.00 foot radius curve to the left; thence Northwesterly 18.32 feet along the arc of said curve through a central angle of 69°57'30" to the point of a 15.00 foot radius reverse curve to the right; thence Northeasterly 39.60 feet along the arc of said curve through a central angle of 151°16'25" to the point of a 20.00 foot radius reverse curve to the left; thence Northeasterly 40.81 feet along the arc of said curve through a central angle of 116°55'16" to the point of tangency; thence N 15°57'05"W 44.59 feet to the point of a 20.00 foot radius curve to the right; thence Northeasterly 29.18 feet along the arc of said curve through a central angle of 83°36'06" to the point of tangency; thence North 67°39'01"E 44.20 feet to the point of a 15.00 foot radius curve to the left; thence Northeasterly 33.08 feet along the arc of said curve through a central angle of 126°21'56" to the point of tangency; thence N 58°42'55"W 78.78 feet to the point of a 50.00 foot radius curve to the right; thence Northwesterly 35.53 feet along the arc of said curve through a central angle of 40°42'41" to the point of tangency; thence N 18°00'14"W 46.77 feet to the point of a 75.00 foot radius curve to the right; thence Northeasterly 69.17 feet along the arc of said curve through a central angle of 52°50'38" to the point of a 150.00 foot radius reverse curve to the left; thence Northeasterly 71.42 feet along the arc of said curve through a central angle of 27°16'45" to the point of beginning.

Contains 101.08 total acres, more or less.

TOTAL NUMBER OF ACRES BY COUNTY: 101.09 acres – Washington County

TOTAL NUMBER OF ACRES BY FUND: 101.09 acres – School

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

Upon recommendation of Aaron Langston, the Director accepted this agreement.

DEVELOPMENT SALE – WASHINGTON CITY FIRE STATION (PS 7382)

The following sale has been executed and a patent issued:

CERTIFICATE OF SALE NO.: 24749
 CERTIFICATE/SALE DATE: October 1, 2007
 PATENT NO.: 20069
 PATENT DATE: December 13, 2007
 PROJECT CODE: SOBLK 001 00
 PROJECT: Mile Post 2
 PROJECT MANAGER: Kyle Pasley
 FUND: School
 SALE PRICE: \$163,000.00
 COUNTY: Washington
 BOARD APPROVED: August 7, 2006

BUYER:

WASHINGTON CITY
 a Utah municipality
 111 North 100 East
 Washington, Utah, 84780

TRANSACTIONAL CONTEXT:

The City of St. George (the "City") has purchased the property more specifically described below for One Hundred Sixty-Three Thousand and No/Dollars (\$163,000.00).

LEGAL DESCRIPTION:

Township 43 South, Range 15 West, SLB&M
 Section 11:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 10, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°20'30" EAST, 81.03 FEET; THENCE NORTH 84°37'41" EAST, 39.58 FEET; THENCE SOUTH 78°17'22" EAST, 128.44 FEET; THENCE SOUTH 85°19'29" EAST, 75.43 FEET; THENCE SOUTH 17°51'09" EAST, 49.99 FEET; THENCE SOUTH 00°00'00" WEST, 4.96 FEET; THENCE NORTH 89°59'50" WEST, 256.16 FEET TO THE POINT OF BEGINNING.

CONTAINS: 0.389 ACRES

NUMBER OF ACRES BY COUNTY: 0.389 acres – Washington County

NUMBER OF ACRES BY FUND: 0.389 acres – School

MINERAL RESERVATIONS:

Excepting and reserving to the State of Utah all coal and other mineral deposits, along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

SURFACE RESERVATIONS:

Excepting and reserving to the State of Utah an easement across the property for the benefit of the Trust Lands Administration, its successors in interest, assigns, permittees and lessees, as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration; also,

DEVELOPMENT SALE – WASHINGTON CITY FIRE STATION (PS 7382) (CONTINUED)

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

MINERAL LEASES CANCELED: None

SURFACE LEASES CANCELED: None

This item was submitted by Andrea L. James for record-keeping purposes.

DEVELOPMENT SALE FOR WASHINGTON WELLS AND WATER TANKS (PS 7392), AND REFUND OF ANNUAL RENT

CERTIFICATE OF SALE NO. 24759 AND PATENT NO. 20068 HAVE BEEN EXECUTED:

CERTIFICATE NO.:	24759
CERTIFICATE/SALE DATE:	October 1, 2007
PATENT NO.:	20068
PATENT DATE:	December 13, 2007
PROJECT:	Green Springs / MPD
PROJECT MANAGER:	Kyle Pasley
PROJECT CODE:	GRSPG 001 00
FUND:	School
COUNTY:	Washington County
BOARD APPROVED:	August 7, 2007

LESSEE:

WASHINGTON CITY
a Utah municipality
111 North 100 East
Washington, Utah, 84780

DESCRIPTION OF TRANSACTION:

Washington City purchased the following well and water tank sites for Two Hundred Forty-One Thousand Eight Hundred Dollars and No Cents (\$241,800.00), and the Trust Lands Administration issued to Washington City Patent No. 20068, upon payment in full, conveying the land more particularly described below. Washington City is entitled to a refund in the amount of Eight Thousand Four Hundred Thirty-Five Dollars and No Cents (\$8435.00) for its December 1, 2007, payment on SULA 772, which was previously canceled by the Director in anticipation of the above described sale.

LEGAL DESCRIPTION OF LANDS CONVEYED TO WASHINGTON CITY BY PATENT:

Red Cliffs 1 Million Gallon Water Tank and Expanded Tank Site
Township 42 South, Range 15 West, SLB&M

Section 2: BEGINNING AT A POINT S88°42'56"E 167.13 FEET ALONG THE SECTION LINE AND NORTH 1309.81 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 2, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, SAID POINT BEING THE CORNER OF AN EXISTING CHAIN LINK FENCE AND RUNNING THENCE ALONG THE EXISTING CHAIN LINK FENCE AS FOLLOWS: N1°30'36"E 189.49 FEET; THENCE S88°26'11"E 189.90 FEET; THENCE

DEVELOPMENT SALE FOR WASHINGTON WELLS AND WATER TANKS (PS 7392), AND REFUND OF ANNUAL RENT (CONTINUED)

S1°31'31"W 190.04 FEET; THENCE LEAVING SAID CHAIN LINK FENCE LINE AND RUNNING S9°27'29"W 166.98 FEET; THENCE WEST 199.47 FEET; THENCE NORTH 151.26 FEET; THENCE N62°41'26"E 41.80 FEET TO THE POINT OF BEGINNING.

Containing 1.642 acres, more or less.

Red Cliffs 2.3 Million Gallon Water Tank

Township 42 South, Range 15 West, SLB&M

Section 11: BEGINNING AT A POINT SOUTH 88°42'56" EAST 422.83 FEET ALONG THE SECTION LINE AND SOUTH 550.86 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 2, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, SAID POINT BEING THE CORNER OF AN EXISTING CHAIN LINK FENCE, AND RUNNING THENCE ALONG THE EXISTING CHAIN LINK FENCE AS FOLLOWS: SOUTH 4°22'50" WEST 214.91 FEET; THENCE NORTH 80°19'40" WEST 246.09 FEET; THENCE NORTH 13°44'17" EAST 158.45 FEET; THENCE NORTH 35°12'02" EAST 69.89 FEET; THENCE NORTH 47°27'14" EAST 19.97 FEET; THENCE NORTH 64°32'12" EAST 29.88 FEET; THENCE NORTH 83°25'19" EAST 20.05 FEET; THENCE SOUTH 84°24'04" EAST 19.70 FEET; THENCE SOUTH 73°43'22" EAST 20.54 FEET; THENCE SOUTH 60°53'38" EAST 19.89 FEET; THENCE SOUTH 51°48'25" EAST 79.87 FEET TO THE POINT OF BEGINNING.

Containing 1.240 acres, more or less.

Well #6

Township 42 South, Range 15 West, SLB&M

Sections 2 & 3: BEGINNING AT A POINT NORTH 2°06'06" WEST 684.09 FEET ALONG THE SECTION LINE FROM THE SOUTHEAST CORNER OF SECTION 3, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, SAID POINT BEING ON AN EXISTING CHAIN LINK FENCE LINE, AND RUNNING THENCE ALONG SAID CHAIN LINK FENCE AS FOLLOWS: SOUTH 6°02'50" WEST 30.50 FEET; THENCE NORTH 84°04'05" WEST 41.19 FEET; THENCE NORTH 7°22'11" EAST 40.74 FEET; THENCE SOUTH 82°54' 36" EAST 40.26 FEET; THENCE SOUTH 6°02'50" WEST 9.42 FEET TO THE POINT OF BEGINNING.

Containing 0.038 acres, more or less.

Well #3

Township 41 South, Range 15 West, SLB&M

Section 35: BEGINNING AT A POINT NORTH 88°38'03" WEST 255.01 FEET AND NORTH 723.79 FEET FROM THE SOUTH 1/4 CORNER OF SECTION 35, TOWNSHIP 41 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH 49°51'36" WEST 24.51 FEET; THENCE NORTH 39°04'38" EAST 29.18 FEET; THENCE SOUTH 51°31'03" EAST 24.30 FEET; THENCE SOUTH 38°41'36" WEST 29.89 FEET TO THE POINT OF BEGINNING.

Containing 0.017 acres, more or less.

Well #GV1

Township 41 South, Range 15 West, SLB&M

Section 36: BEGINNING AT A POINT NORTH 1°10'23" EAST 1152.12 FEET ALONG THE SECTION LINE AND WEST 424.22 FEET FROM THE EAST 1/4 CORNER OF SECTION 36, TOWNSHIP 41 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTH 12°11'11"

DEVELOPMENT SALE FOR WASHINGTON WELLS AND WATER TANKS (PS 7392), AND REFUND OF ANNUAL RENT (CONTINUED)

WEST 50.00 FEET; THENCE NORTH 77°48'49" WEST 50.00 FEET; THENCE NORTH 12°11'11" EAST 50.00 FEET; THENCE SOUTH 77°48'49" EAST 50.00 FEET TO THE POINT OF BEGINNING.

Containing 0.057 acres, more or less.

Well #GV2

Township 41 South, Range 14 West, SLB&M

Section 31: BEGINNING AT A POINT NORTH 1°10'23" EAST 1766.04 FEET ALONG THE SECTION LINE AND EAST 598.73 FEET FROM THE WEST 1/4 CORNER OF SECTION 31, TOWNSHIP 41 SOUTH, RANGE 14 WEST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH 43°16'00" EAST 50.00 FEET; THENCE SOUTH 46°44'00" EAST 50.00 FEET; THENCE SOUTH 43°16'00" WEST 50.00 FEET; THENCE NORTH 46°44'00" WEST 50.00 FEET TO THE POINT OF BEGINNING.

Containing 0.057 acres, more or less.

Well #4

Township 42 South, Range 15 West, SLB&M

Section 3: BEGINNING AT A POINT SOUTH 2°06'06" EAST 73.52 FEET ALONG THE SECTION LINE AND WEST 405.27 FEET FROM THE WEST 1/4 CORNER OF SECTION 2, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTH 16°30'24" EAST 45.03 FEET; THENCE SOUTH 73°11'55" WEST 59.88 FEET; THENCE NORTH 16°30'35" WEST 45.00 FEET; THENCE NORTH 73°10'29" EAST 59.88 FEET TO THE POINT OF BEGINNING.

Containing 0.062 acres, more or less.

Well #5

Township 42 South, Range 15 West, SLB&M

Section 3: BEGINNING AT A POINT NORTH 2°42'59" WEST 463.26 FEET ALONG THE SECTION LINE AND WEST 1,276.38 FEET FROM THE WEST 1/4 CORNER OF SECTION 2, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE SOUTH 83°04'59" WEST 60.23 FEET; THENCE NORTH 6°53'14" WEST 60.28 FEET; THENCE NORTH 83°38'59" EAST 59.80 FEET; THENCE SOUTH 7°18'35" EAST 59.69 FEET TO THE POINT OF BEGINNING.

Containing 0.083 acres, more or less.

Well #2

Township 42 South, Range 15 West, SLB&M

Section 2: BEGINNING AT A POINT NORTH 2°42'59" WEST 1,089.76 FEET ALONG THE SECTION LINE AND EAST 73.89 FEET FROM THE WEST 1/4 CORNER OF SECTION 2, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN, AND RUNNING THENCE NORTH 16°41'58" WEST 59.87 FEET; THENCE NORTH 73°36'49" EAST 44.90 FEET; THENCE SOUTH 16°55'56" EAST 60.06 FEET; THENCE SOUTH 73°51'21" WEST 45.15 FEET TO THE POINT OF BEGINNING.

Containing 0.062 acres, more or less.

TOTAL ACREAGE CONTAINING: 3.258 acres, more or less

NUMBER OF ACRES BY COUNTY: 3.258 acres – Washington County

NUMBER OF ACRES BY FUND: 3.258 acres – School

DEVELOPMENT SALE FOR WASHINGTON WELLS AND WATER TANKS (PS 7392), AND REFUND OF ANNUAL RENT (CONTINUED)

MINERAL RESERVATIONS:

Excepting and reserving to the State of Utah all coal, oil and gas and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

SURFACE RESERVATIONS:

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States, as provided by Statute.

MINERAL LEASES CANCELED: None

SURFACE LEASES CANCELED: None

Upon recommendation of Andrea L. James, the Director approved the above captioned action and also approved a refund in the amount of \$8435.00 for the rental on SULA 772.

DEVELOPMENT SUBDIVISION SALE

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED FOR:

SUBD 12.0 Estates at Hidden Valley Phase 1

This transaction has been executed pursuant to Development Lease DEVL 754.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 18, Township 43.0 S, Range 15.0 W, SLBM

PURCHASER:

IVORY SOUTHERN, LLC
3143 SOUTH 840 EAST
SAINT GEORGE, UT 84790

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 14	26417-12-14	12/10/07	19989-12-14	01/31/07	\$52,820.98	\$100.00	0.16	SCH	18

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

DEVELOPMENT SUBDIVISION SALE (CONTINUED)

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Amera Musial.

TRUST ACCOUNTING ACTIONS

CANCELED EASEMENT CONTRACT

The following easement contract was not paid on or before the cancellation date of 10/11/2007. A certified notice was mailed.

<u>LEASE #</u>	<u>LESSEE NAME</u>	<u>BENE</u>	<u>COUNTY</u>	<u>TYPE</u>
ESMT 977	Stephenson, Wesley	SCH	MLRD	ESMT (SP)

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the cancellation of the above-listed easement permit for non-payment.

CANCELLATION – RETURNED CHECK – ML 50947

The payment for the 2007 rental for the above-mentioned mineral lease permit was returned from the bank due to insufficient funds. A certified letter was sent to the lessee of record regarding replacement of the returned check. The lessee has not responded during the 30 day grace period given. The lessee is GR Conn – P.O. Box 923 – Duchesne, UT 84021-0923. FUND: SCH

Upon recommendation of Mr. Gritzmacher, Budget Manager, the Director approved the cancellation of the above-listed mineral lease permit for non-payment.

INTEREST RATES

Following are the current and past year prime rates:

CURRENT YEAR:	7.25%
ONE YEAR AGO:	8.25%

ACTIONS CONTAINING FEE WAIVERS

SURFACE

GRAZING PERMIT NO. 22546 (AMENDMENT – REDUCTIONS OF AUMS)

Red Creek Cattle Association, P.O. Box 754, Fruitland, UT 84027, is being required to reduce the AUMs used on the southeast portion of Tabby Mountain by 42 AUMs. GP 22546 will now contain 3,268.0 AUMs. Because this action is being required by the Trust Lands Administration, the \$50.00 amendment fee is being waived. Duchesne and Wasatch Counties. School, Normal School, Utah State University, Miners Hospital, and Reservoir Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the reduction of AUMs for GP 22546.